

**Application number:** 09/534233

**Art Unit:** 3628

**Applicant:** Khai Hee Kwan

**Examiner:** Clement, B Graham

**Title:** System and method for conducting an electronic financial asset deposit auction over computer network

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

TO: Commissioner for Patents  
Washington DC 20231

Sir:

In reply to Notice of Non-Complaint Amendment mailed on 23 Oct 2002.

**REMARKS**

- 1) The attachments A and B as follows should compliant with requirements of 37 CFR 1.121 which includes the Full paragraphs. The primary instructions as previously enunciated in my response dated 15 Oct 2002 at page 1 remains the same as follows:

In the first paragraph under Section "DETAILED DESCRIPTION OF THE INVENTION" at page 12, line 12, please amend the paragraph beginning there and add an additional paragraph so that the text reads as follows, where the changes to the specification are shown in an editorial format in Attachment A hereto:

2) As to the matter of US \$285, I am not sure how this calculation is reached. My understanding is that the numbers of independent claims remain the same at 4 and the only increase is the number of dependent claims by another 5. As far as I understand the number of claims remain below 20 and money was paid in full with the addition of only one independent claim at the outset. Please provide addition information so I can proceed with any payment due.

Thank you

Date: 20 Nov 2002

  
Khai Hee KWAN

Attachment A MARKUP VERSION  
Application number: 09/534233

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#### **DETAILED DESCRIPTION OF THE INVENTION**

The present invention provides system and method for conducting an electronic financial asset deposit auction. In accordance with the present invention, a prospective lender/depositor, is more likely to discover a suitable match at more realistic terms and effectively than those he/she would have obtained by traditional ways. The system and method of the present invention offers to differentiate between a preference for risk or return for both lender/depositors and borrowers. For example, there are individuals who prefer higher risk than available from standard banking depositing facilities by accepting securities in exchange under certain terms. There are borrowers such as banks who from time to time may willing to pay to secure some critical funding requirements or shares to cover their open position overnight.

Accordingly, the bidder may define proposed terms of deposit in the bid application under various combinations such as period of deposit, type of deposit, type of payment schedule, deposit rate, securities in exchange and terms of exchange. A responsive bidder will bid by either matching these terms or better them to existing bids by other bidders.